



Research on Changes in Corporate Awareness and Behavior Associated with the Changes Made to the Laws for Employment of Disabled Persons

(Research Report No.143) Summary

[Keywords]

Corporate awareness, corporate behavior, laws for employment of disabled persons, prohibition of discrimination of persons with disabilities, providing reasonable accommodation, inclusion of persons with mental disabilities in calculation basis of employment quota, revision of disabled employment quota

[Points for Practical Purpose]

- In this research study, among the revised matters of the Act on Employment Promotion of Persons with Disabilities revised in 2013 and implemented gradually, we were able to grasp one aspect of corporate awareness and behavior towards the laws of employment of disabled persons, focusing on the provision of the prohibition of discrimination of persons with disabilities, the provision of providing reasonable accommodation related to the qualitative improvement of employment of persons with disabilities, and inclusion of persons with mental disabilities in calculation basis of employment quota and revision of the disabled employment quota.
- With regard to the contents of company surveys based on interviews, it is thought that unique ideas and activities for the employment of disabled people in companies will be helpful for employers who are having difficulty in the employment of disabled people. In addition, since the results of the company survey based on the questionnaire can be used to see the general picture of the company's awareness and behavior towards the laws for

the employment of disabled persons, it is expected that it will be a fundamental material for considering measures for corporate support.

- Also, based on the company's recognition and needs regarding the required provisioning of reasonable accommodation, we created a "Points for Providing Reasonable Accommodation and Corporate Practice Cases", so we expect for it to be used by companies as a manual for provisioning of appropriate reasonable accommodation, and be widely used by organizations such as employment support agencies.

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2. Research Period

FY2016 to 2018

3. Composition of the Research Report

Chapter 1: Purpose and Background of Research

Chapter 2: Corporate Survey by Telephone

Chapter 3: Corporate Survey by Interview

Chapter 4: Corporate Survey by Questionnaire

Chapter 5: Summary

4. Background and Purpose of Research

The revision of the Act on Employment Promotion of Persons with Disabilities made in 2013 (hereinafter referred to as "law revision") made it a requirement for all disabled persons to be provisioned of the prohibition of discrimination and reasonable accommodation by their business owners from April 2016. Furthermore, persons with mental disabilities were included in the calculation basis of the disabled employment quota from April 2018 (hereinafter referred to as "mental accounting"), and in addition, by the revision Order for Enforcement of the Act on Employment Promotion of Persons with Disabilities, the disabled employment quota for possessors of disability certificates were also raised to 2.3% (at longest 2.2% until March 2021), and companies are demanded to respond. It is important to understand how things such as revisions of the laws for employment of disabled persons is perceived by companies and how it is affecting the behavior regarding the employment of persons with disabilities, because it is considered to be important as a foothold to exploring the way of support for companies concerning employment of persons with disabilities in the future. The purpose of this research is to clarify what kind of influences the activities such as revision of the laws for the employment of disabled persons have on the change of consciousness and behavior of companies while

searching the way to support companies effectively.

5. Research Method

(1) Corporate Survey by Telephone

A. Purpose

To grasp the current situation of employment of disabled people, the current status of efforts to provision the prohibition of discrimination of persons with disabilities clause (hereinafter referred to as "prohibition of discrimination") and the provision of reasonable accommodation clause (hereinafter referred to as "reasonable accommodation"), and the general condition such as the recognition of the law revision as these backgrounds, and utilize to narrow down the issues for upon conducting surveys to companies through interviews and questionnaires.

B. Survey Period and Target

Conducted in November 2016, targeting 1,000 companies with a size of 30 or more employees.

C. Survey Content

The content included the presence or absence of employment of persons with disabilities and the types of disabilities of the employed persons, recruitment and hiring, efforts to avoid disadvantage in treatment, consideration for disability in the workplace, consultation to other parties relating to the employment of persons with disabilities, the policy for responding to law revision (prohibition of discrimination, reasonable accommodation, awareness of mental accounting, revision of disabled employment quota), achievement rate of employment quota, etc.

(2) Corporate Survey by Interview

A. Purpose

To grasp the management's approach to the employment of persons with disabilities in companies until today and their changes in awareness and behavior, and use that information as a basis to clarify the core points of practice for the employment of persons with disabilities.

B. Survey Target

This survey was conducted twice from January 2017 to July 2018, targeting 20 companies that responded to corporate surveys by telephone.

C. Survey Content

The first interview focused mainly on the following points (1) and (2) and the second interview mainly on point (3), focusing on what the interviewee thought was important.

(1) The trigger in which the company started employing disabled persons or started putting efforts to it and its background, and what preparations were done for it

(2) Regarding what kind of actions were done in correspondence to the revision of the laws for the employment of disabled persons until today

(3) Changes in the efforts to the employment of persons with disabilities after the first interview survey and its background, future response policies in correspondence to the revision of the laws for the employment of disabled persons.

(3) Corporate Survey by Questionnaire

A. Purpose

The purpose was to clarify in detail the corporate awareness and behavior regarding the employment of disabled people. In this survey, we measured the factor of "awareness" by whether the person in charge of employment of persons with disabilities knew and recognized the necessity of actively working on the employment of persons with disabilities, and the measures needed to be taken, and whether workers were informed. "Behavior" was measured from the action to spread that consciousness in the company, and from the specific actions taken in relation to the employment of persons with disabilities.

B. Survey Period and Target

This survey was conducted from February to March of 2018, targeting 10,000 companies of the size of 40 or more employees.

C. Survey Content

Contents included policies for employment of persons with disabilities, awareness and behavior regarding law revision (prohibition of discrimination, reasonable accommodation, revision of disabled employment quota), awareness of mental accounting, utilization of support agencies for acquiring knowledge and know-how of employment of disabled people, and role assignment of human resources, labor, and employment management in companies with establishments and divisions.

6. Summarized Results of the Study

(1) Corporate Survey by Telephone

A. Response Status

Responses were received from 444 companies (response rate 44.4%).

B. The Recognition of Law Revision and Employment Policy for Disabled People

Results showed that the larger the size of the company, the higher the percentage of companies that "know well" about law revision (prohibition of discrimination, reasonable accommodation, mental accounting), and also regarding employment policies for disabled people after the revision of disabled employment quota, had a policy to proactively promote employment. Furthermore, the percentage of companies that were "unaware about the

reconsideration" in the disabled employment quota was more than 10% for companies with less than 300 employees, and it was seen that companies with smaller size tend to have lower awareness of the revision of the disabled employment quota (Figure 1). Considering that these results and prohibition of discrimination and reasonable accommodation are required for all companies regardless of company size, the data suggests that in order to promote employment in small companies and companies without experience of employment for persons with disabilities, it is important to provide opportunities for these companies to be in contact with a wide amount of information, and to provide more active support from support agencies.

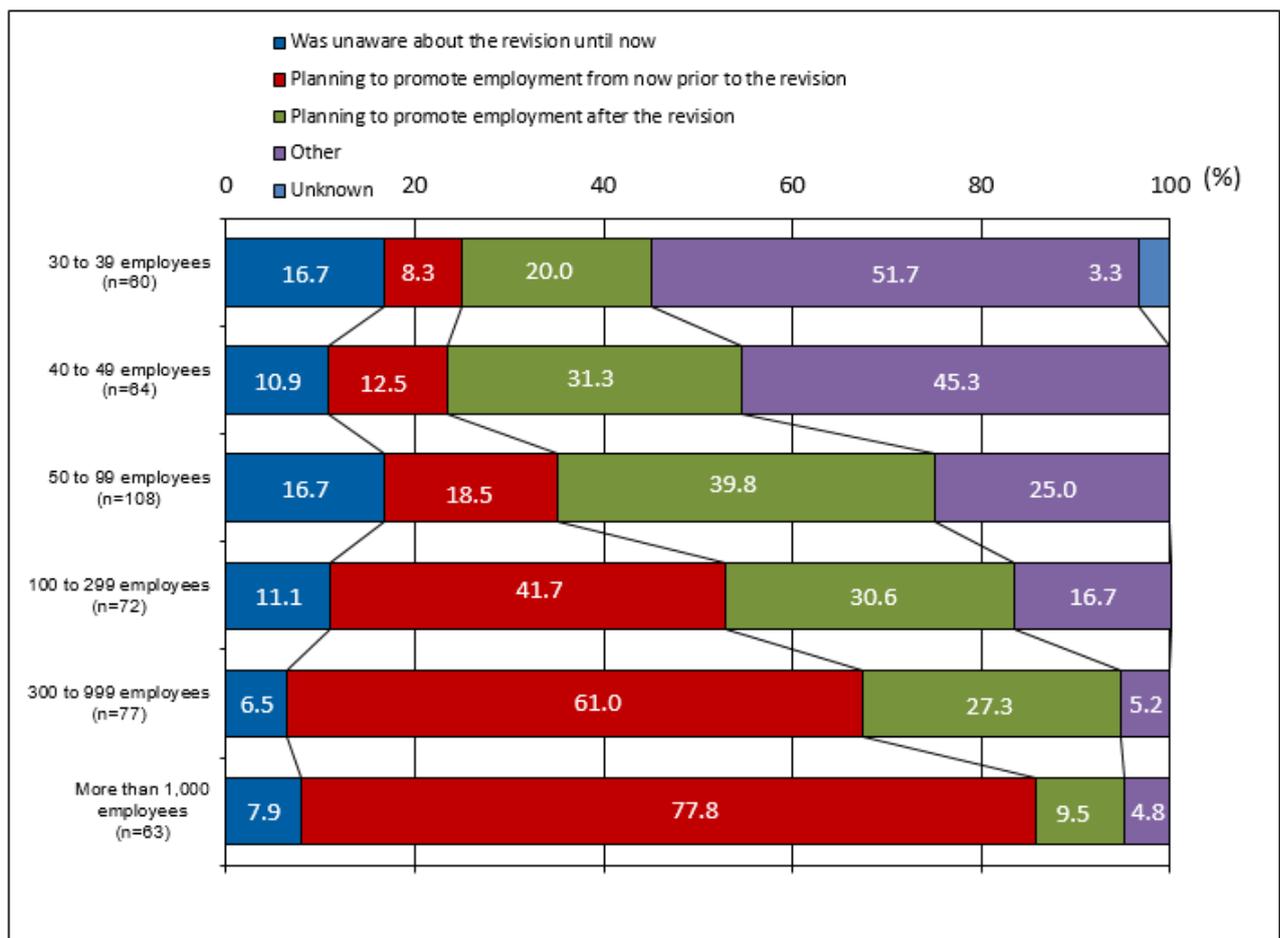


Figure 1 Employment Policy for Disabled Persons After Revision of Disabled Employment Quota

C. Recognition of Reasonable Accommodation and Conducting Status of Confirming the Presence or Absence of Trouble at Work from the Employee

For companies with a size of 300 or more employees, there was a higher implementation rate of the "periodical confirmation" required by the reasonable accommodation guidelines for companies with higher recognition of reasonable accommodation. From this, it is suggested that knowing the system promotes change in corporate behavior and leads to the quality

improvement of the working environment for persons with disabilities.

(2) Corporate Survey by Interview

A. Approaches for Employment of Persons with Disabilities

- The most frequently cited reasons for starting employment for the disabled were the achievement of the disabled employment quota based on legal compliance and social contribution (regional contribution). Other reasons were based on multiple reasons such as employment quota achievement guidance by the public employment security office and securing of human resources due to lack of workers.
- There were also companies that were instructed by top management about achieving the disabled employment quota, and even companies where the top management themselves did specific explanations and promotions to their employees. In addition, as a corporate group approach, some companies set up clear policies and plans to work on the employment of persons with disabilities.
- Among the special subsidiary (In case that an employer establishes a subsidiary company which gives special consideration for employing persons with disabilities in order to promote and stabilize their employment, and fulfills certain requirements, the workers employed at the subsidiary can be deemed to be employed by the parent company for calculating the employment rate.) companies, in addition to aiming at achieving the disabled employment quota and increasing the number of employment of disabled persons, some focused on providing consulting for affiliated companies based on the know-how acquired by the special subsidiary company.
- When including persons who acquired disabilities post-employment and people with developmental disabilities, most companies experienced employment of people with mental disabilities, and spoke about issues and measures for employing persons with mental disabilities. Actions such as making use of external support agencies, and conducting the preparation of internal systems were spoken as a means to establish the settlement of people with mental disabilities. Regarding the hiring of additional persons with mental disabilities, while there were hesitant opinions due to the experience in difficulties of dealing with employees with mental health problems and the disability not being obvious to the eye, there were also companies that showed positiveness in handling the issue.

B. Use of Support Agencies

In addition to public employment security offices, agencies such as special needs schools, vocational skills development schools for persons with disabilities, support agencies established by local entities, local vocational centers for persons with disabilities, employment and life support centers for persons with disabilities, and work transition support providers were

used. For hiring, some companies made it a principle to register for support agencies.

C. Responding to Law Revision

- Regarding the revision of the disabled employment quota, it was recognized as content expected to be implemented, not only in this review, but through the circumstances in which they have been conducted several times so far. For companies that have not achieved the disabled employment quota of 2.0% so far, in order to realize employment of persons with disabilities, some companies set out to take specific actions such as promoting through establishment of special subsidiary companies and human resources departments, improving the employment management system, and implementing managerial questionnaires to promote employment of persons with disabilities.
- Regarding the prohibition of discrimination and reasonable accommodation, all companies were aware of the law revision.

Efforts of each company were different, but when observed individually, there were actions such as putting efforts in training to develop employees to have knowledge on disabilities, efforts to initiate amendments to the company's retirement benefit system to improve the treatment of special subsidiary company employees whose retirement benefit system had not yet been established, and the construction of a system for filing issues concerning matters related to reasonable accommodation utilizing an intranet available to all employees.

- Regarding the employment of persons with mental disabilities, there was a food manufacturing company that had a plan to hire people with mental disabilities at the first interview, and at the point of the second visit, the hiring of three people with mental disability had already been achieved. Focusing on the employment of persons with disabilities as one of the measures for securing workers, efforts have been made to realize employment for persons with disabilities through specific actions such as visiting various support agencies to deepen their knowledge.

(3) Corporate Survey by Questionnaire

A. Response Status

Responses were received from 1,772 companies (response rate 17.7%).

B. Results Regarding Corporate "Awareness"

As a common feature, it was shown that the larger the company size was, the more there was a policy on employment for disabled people, and that the recognition rate of the law revision (prohibition of discrimination, reasonable accommodation, awareness of mental accounting, revision of disabled employment quota) was also high. Regarding the revision of the disabled

employment quota, the recognition rate exceeded 90% in companies with 100 or more employees. In addition, the recognition rate exceeded 50% even for companies with less than 50 employees which were not covered by the disabled employment quota system at the time of the survey, suggesting the high interest from companies. On the other hand, among the revised subjects, the recognition rate for reasonable accommodation was the lowest.

C. Results Regarding Corporate "Behavior"

The proportion of companies employing disabled people tends to increase as the size of the company increases. In addition, from FY 2011 onward, policies and future directions with specific goals for employment rate or the number of employees with disabilities were most commonly set during the range of FY 2014 to 2016. This is most likely due to the expectancy of increase in the disabled employment quota considered from the contents of the law revision in 2013. Therefore, it is suggested that the "behavior" related to the law revision may be particularly related to the "awareness" of the law such as the response to the employment quota.

D. Relation Between Corporate "Awareness" and "Behavior"

With regard to awareness (recognition) and behavior (actions based on law revisions) against the prohibition of discrimination and reasonable accommodation, there were a certain number of companies that recognized law revisions but did not particularly do any action in response. These law revisions are broader than the "revision of disabled employment quota", and it may be considered necessary to understand the contents more accurately in order to respond appropriately. Of the companies that have not responded, there may be a possibility that they have not responded because they have not understood the necessity. Also, for companies with a size of fewer than 100 employees, it was shown that companies that show the employment policy of persons with disabilities, and companies with top management mentioning employment policies for persons with disabilities, tend to employ persons with disabilities (Figure 2).

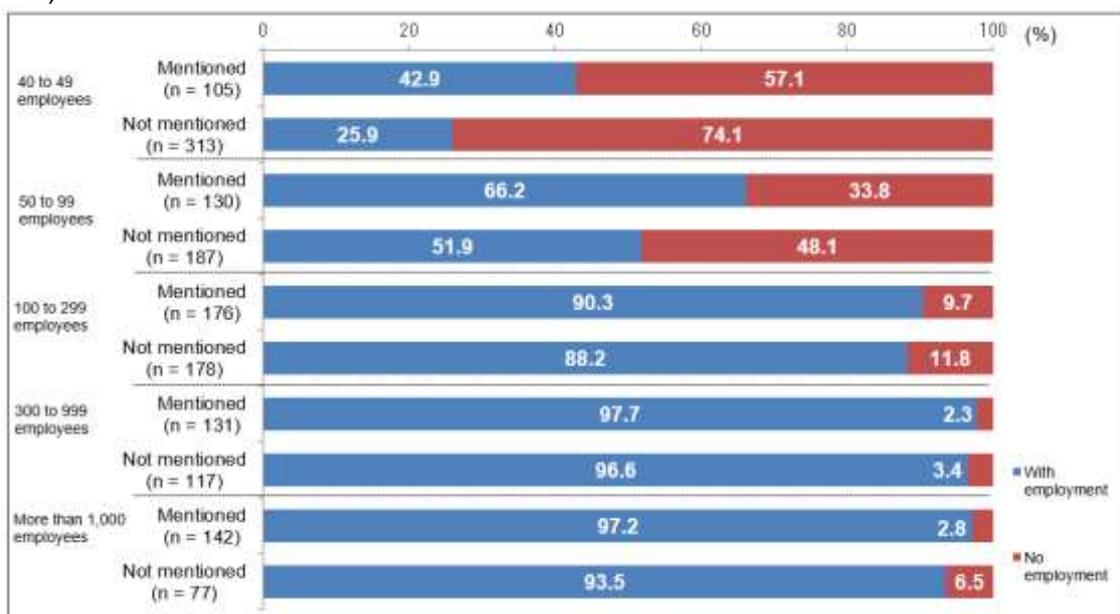


Figure 2. Top Management Mentioning and Employment of Persons with Disabilities

(4) Summary

A. Cognition of the Revision of Laws for Employment of Disabled Persons (Corporate Awareness)

Regarding corporate awareness, when looking at the recognition status of the revision of the Act on Employment Promotion of Persons with Disabilities in 2013, it is found that the revision of the disabled employment quota is the highest and that mental accounting is also considered as a high corporate concern. These are considered to have relatively high recognition rates, as they are also high-risk matters for companies in terms of compliance, including the prohibition of discrimination.

On the other hand, regarding reasonable accommodation, the results showed that approximately half of companies "do not know", and the data suggests it is necessary to take various public relations measures in order to maintain a better employment environment for persons with disabilities. In particular, it is worth noting that the number is significantly smaller for companies with less than 100 employees (Figure 3). According to the results of this survey, small companies tend to have a low percentage of disabled employees, so it can be thought that many of those companies are not particularly interested in the employment itself for persons with disabilities, so it is necessary to make efforts to promote awareness as well as to communicate well so the information will be known to small companies as well.

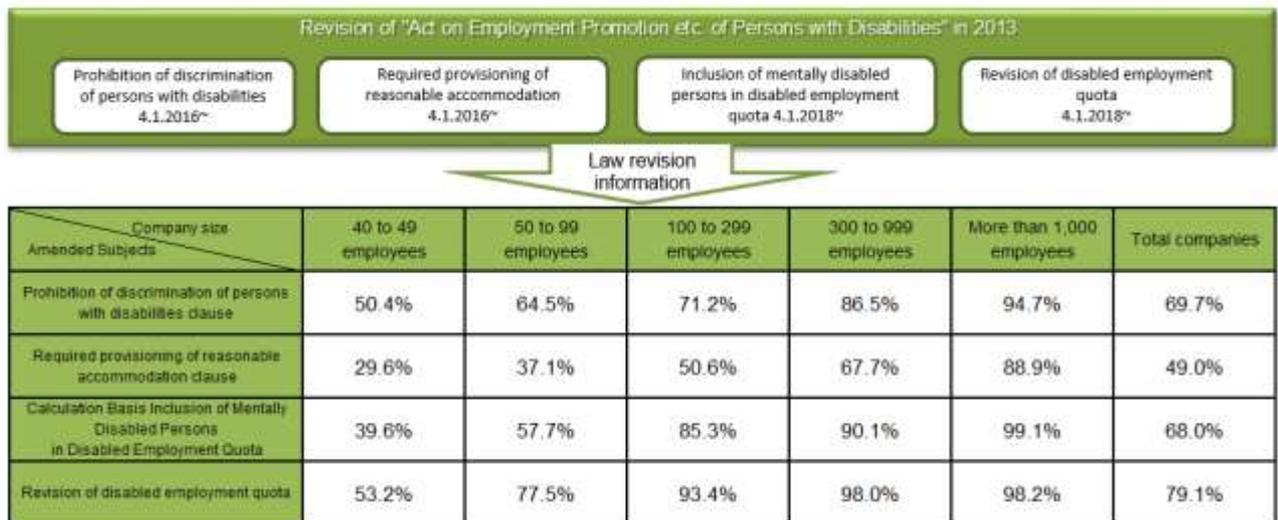


Figure 3 [Corporate Awareness] Perceptions by Company Size Pertaining to the Law Revision of Act on Employment Promotion of Persons with Disabilities of 2013

B. Actions to the Revision of Laws for Employment of Disabled Persons (Corporate Behavior)

As for corporate behavior, regarding the percentage of companies that have taken some action, such as collecting information based on the system revision, internal inspection, common knowledge of the person in charge, and consulting with company workers, regarding

prohibition of discrimination and reasonable accommodation, although 80% of the large companies responded in some way, the smaller the company size, the lower the response rate (Figure 4). It can be speculated that within some of the companies that are aware of the system revision but have not responded in particular, there may have been companies that have not been able to fully understand the content.

Company size Amended Subjects	40 to 49 employees	50 to 99 employees	100 to 299 employees	300 to 999 employees	More than 1,000 employees	Total companies
Prohibition of discrimination of persons with disabilities clause	50.9%	50.7%	68.6%	75.1%	83.0%	65.2%
Required provisioning of reasonable accommodation clause	65.9%	61.3%	73.8%	81.8%	89.1%	75.4%

Figure 4 [Corporate Behavior] Percentage by Company Size of Companies that Implemented Responses Based on Law Revision

C. The Way of Being for Company Support

(a) Support and Making Known the Information to Small and Medium-Sized Enterprises

The recognition rates of the prohibition of discrimination and reasonable accommodation both showed results that the lower the company size, the lower the recognition rate. It can be said that the results suggest that the improvement of the employment environment for the disabled may be delayed in small and medium-sized enterprises, which account for a large part of Japanese companies, and that it may also affect settling into the workplace. These findings suggest it is necessary to make the information known directly to the responsible position of the company to promote understanding, and to provide an environment where people can freely consult, creating an integrated support system for local working support organization such as public employment security offices.

(b) Assisting Companies to Start Hiring Disabled People by Creating Opportunities and Providing Individualized Support

In cases compared with large companies, small companies tend to be more influenced in hiring disabled persons through clarification of corporate policies and the way of thinking of the corporate top management. Therefore, it can be thought that by asking the top management to participate in seminars and provide advice and support tailored to the individual circumstances surrounding the company through individual consultations, the employment of persons with disabilities according to the actual situation of the company can be realized.

(c) Community-based Public Relations Activities and Support Based on the Support Needs of Companies

Among the various means for public relations, it is expected that efforts will be made to conduct easily recognized public relations activities in which related organizations can

cooperate with each other so that information can reach the persons in charge of employment for persons with disabilities in companies.

(d) Complementary Support by Organizations such as Employment Support Agencies for Compliance Execution of Companies

It is necessary for labor administration organizations and other employment support agencies to check the status of efforts for a reasonable accommodation in companies, provide specific advice as necessary, and make the system understood and infiltrated.

(e) Support Based on Needs Sought for Support Agencies by Companies

Other than wanting to know about reasonable accommodation and prohibition of discrimination ranking high in the responses, of companies employing persons with disabilities, the responses of "want to know the types, characteristics, and accommodations for the disability" came in 2nd, showing tendencies that these companies are making efforts to deepen their understanding of disabilities and proceed with measures in accordance with the characteristics. Among unemployed companies, "consultation for persons who acquired disabilities post-employment" was the most common, and it can be seen that they have anxiety in dealing with disabled people. With regard to supporting companies, it is necessary to take measures based on these results.

7. Related Research Achievement Results

Points for Providing Reasonable Accommodation and Corporate Practice Cases, 2019.

Research on the Method for Promoting the Employment of Disabled Persons by Small and Medium Size Enterprises No.114, 2013